

130 SUMMARY OF FINDINGS

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total value of shipments and receipts, the Cycle Condensate Sub-industry for \$331 million, and the Fractionating Subindustry for \$75 million.

Net shipments of natural gas liquids are shown in several places in this report. The value of net shipments, amounting to \$799 million, was obtained by subtracting the value of natural gas liquids and crude petroleum received for processing (\$114 million) from the value of gross shipments of natural gas liquids (\$913 million). Similarly, quantity of net liquids production and net liquids shipments was obtained by subtraction of quantity receipts of liquids from the gross quantity of production or shipments. These net figures avoid the duplication in gross production and shipments figures resulting from transfers of liquids from other plants in the same industry to associated plants or to a central fractionator and from some receipts of crude petroleum for processing.

The production index for the primary products of the industry increased to 164 in 1963 from the 1958 level of 115. The unit value index for 1963 was 122 compared to 107 in 1958. Both indexes were computed on a basis of 1954 * 100.

The general statistics (employment, payrolls, value of shipments, cost of supplies, etc.) are reported for each establishment as a whole. Aggregates of such data for an industry reflect not only the primary activities of the establishments in the industry, but also their activities in the production of secondary products, and in the performance of contract work for others. This fact should be taken into account in comparing industry and sub-industry statistics (tables 1 to 4 and 7 to 12) with product statistics (table 6) showing shipments by all industries and subindustries of the primary products of the industry. The extent of the "product mix" is indicated in tables 3A, 3B, and 5 which show the value of primary and secondary products shipped by establishments classified in the specified industry and also the value of net shipments of natural gas liquids.

COMPARABILITY WITH BUREAU OF MINES STATISTICS

The Bureau of the Census statistics on primary products of the Natural Gas Liquids Industry are, in general, comparable with product statistics for the same commodities published by the Bureau of Mines. The differences which occur result primarily from differences in data collection methods, coverage, and objectives sought. The most nearly comparable statistics from the two bureaus are shown in the table below. Major reasons for the differences in product statistics are as follows:

1. The Bureau of Mines includes statistics for some liquids recovered incident to the operation of gathering and transmission lines. Such liquids are not

classified as natural gas liquids in Census Bureau reports. ate reports for each plant. a consolidated report was accepted, provided it did not include operations in more than one county. The acceptance of such consolidated reports explains some of the differences between the counts of number of establishments as shown in Census and Mines reports.

3. The Bureau of the Census excludes small establishments for which the value of products and reported costs were below \$500. The Bureau of Mines includes all reports regardless of size.

2. Although a separate report was requested by the Census Bureau for each natural gas liquids plant, in reporting unitized operations some flexibility was permitted. If it was particularly difficult for the operator to prepare separ